

Retirement and Employee Benefits

The Retirement and Employee Benefits appropriation covers the City's share of employee benefits costs including VRS retirement, life insurance, FICA (social security), workmen's compensation, separation pay, unemployment fees and health insurance. Costs involved in compensating employees, such as merit pay, specialized incentive pay and pay increases for constitutional officers are budgeted here as well.

The total budget for this department is \$19,706,864.

	<u>FY 02</u> <u>Budget</u>	<u>FY 03</u> <u>Budget</u>	<u>Increase/</u> <u>(Decrease)</u>
Salary increase and benefits for employees			
Separation Leave Pay	738,000	824,000	86,000
Compensation	2,244,781	1,288,529	(956,252)
Workmen's Compensation	1,205,716	1,266,001	60,285
Hospitalization Insurance	4,512,069	5,100,000	587,931
Life Insurance	175,000	0	(175,000)
Unemployment Insurance	86,000	100,000	14,000
FICA Contribution	4,231,980	4,509,722	277,742
Virginia Supplemental Retirement (VRS)	7,249,265	6,588,612	(660,653)
Other Fringe Benefits	30,000	30,000	0
Total Retirement and Employee Benefits	20,472,811	19,706,864	(765,947)

Highlights of Compensation Package:

- * Provides 2% structure adjustment for all PFT City employees;
- * Provides funding for 50% of total health insurance increase;
- * Provides funding for merit increases of 1% - 3% - 5% based on performance evaluations; and
- * Includes a two-year Holiday of Life Insurance premiums, thereby increasing employees take-home pay.